



DEPARTMENT OF DEFENSE
WASHINGTON HEADQUARTERS SERVICES
1155 DEFENSE PENTAGON
WASHINGTON, DC 20301-1155

July 1, 1999

Administrative Reissuance Incorporating Change 1, November 12, 1999

ADMINISTRATIVE INSTRUCTION NO. 63

SUBJECT: Performance Appraisal Program for General Schedule,
Federal Wage System, and Certain Other Employees

- References:
- (a) Administrative Instruction No. 63, "Performance Management System (PMS) for General Schedule and Wage System Employees," September 8, 1987 (hereby canceled)
 - (b) DoD 1400.25-M, "Department of Defense Civilian Personnel Manual," December 1996, authorized by [DoD Directive 1400.25](#), November 25, 1996
 - (c) Title 5, United States Code, "Government Organization and Employees"
 - (d) Title 5, Code of Federal Regulations, "Administrative Personnel"
 - (e) through (g), see enclosure 1

1. REISSUANCE AND PURPOSE

This Instruction reissues reference (a) to revise the performance appraisal program for covered employees and implements a performance appraisal program, which complies with the Department of Defense (DoD) Performance Appraisal System (subchapter 430 of DoD 1400.25-M (reference (b))).

2. APPLICABILITY

This Instruction:

2.1. Applies to General Schedule (GS/GM), Federal Wage System (FWS), Senior Level (SL), and Scientific or Professional (ST) employees assigned to the Office of the Secretary of Defense (OSD), the Organization of the Joint Chiefs of Staff, and other

activities for which operational support is provided by the Washington Headquarters Services (WHS) Directorate for Personnel and Security Customer Support Operating Office (hereafter referred to collectively as the "OSD Components").

2.2. Does not apply to:

2.2.1. Employees outside the United States paid in accordance with local native prevailing wage rates for the area in which employed.

2.2.2. Individuals in the Senior Executive Service (SES).

2.2.3. Individuals appointed by the President.

2.2.4. Individuals occupying excepted service positions for which employment is not reasonably expected to exceed 90 days in a consecutive 12-month period.

2.2.5. Individuals who:

2.2.5.1. Are serving in positions under a temporary appointment for less than one year,

2.2.5.2. Agree to serve without a performance evaluation, and

2.2.5.3. Will not be considered for a reappointment or for an increase in pay based in whole or in part on performance.

2.2.6. U.S. citizen excepted service employees of the North Atlantic Treaty Organization international staff.

2.2.7. Individuals excluded from coverage under other applicable law.

3. DEFINITIONS

Terms used in this Instruction are defined in enclosure 2.

4. POLICY

4.1. It is DoD policy that the objective of performance management is to improve individual, team (where applicable), and organizational performance.

4.2. The purpose of the performance appraisal program is to communicate and clarify organizational goals to employees; identify individual and, where applicable, team accountability for accomplishing organizational goals; identify and address developmental needs for individuals and, where applicable, teams; assess and improve individual, team, and organizational performance; use appropriate measures of performance as the basis for recognizing and rewarding accomplishments; and use the results of performance appraisal as a basis for appropriate personnel actions, consistent with merit system principles in 5 U.S.C. 2301 (reference (c)).

4.3. The method for deriving and assigning a summary level may not limit or require the use of particular summary levels (i.e., establish a forced distribution of summary levels). However, methods used to make distinctions among employees or groups of employees on the basis of their performance may be used for purposes other than assigning a summary level including, but not limited to, award determinations and promotion decisions.

4.4. Employees must occupy a covered position on the last day of the appraisal period to be eligible for a performance rating or performance-based monetary recognition.

4.5. Only one type of monetary recognition may be approved for performance during an appraisal period (i.e., either a performance award or a quality step increase).

4.6. A quality step increase may be approved no more frequently than once within any consecutive 104-week period and then only when the employee is expected to remain in the same position for at least 60 days after the effective date of the quality step increase and the high quality performance is expected to continue.

4.7. Employees promoted or appointed during the appraisal period are not eligible for a quality step *increase*.

4.8. Schedule C appointees paid a salary level that equals or is less than a GS-12 may receive a performance award that does not exceed 3.5 percent of the appointee's rate of basic pay on the last day of the appraisal period.

4.9. Schedule C appointees paid a salary level that exceeds a GS-12 are not eligible for a performance award.

5. RESPONSIBILITIES

5.1. The Director, Washington Headquarters Services (WHS) shall:

5.1.1. Ensure the development, implementation, application, and evaluation of a performance appraisal program, which complies with the DoD Performance Appraisal System (subchapter 430 of DoD 1400.25-M (reference (b))).

5.1.2. Establish the annual awards budget ceiling for the OSD Components for payment of performance awards under this Instruction and superior accomplishment, special act or service, and supervisor's cash awards under AI No. 29 (reference (e)).

5.1.3. Approve monetary awards that would grant more than a gross cumulative total of \$5,000 to a GS/GM, FWS, SL, or ST employee in a fiscal year for performance (including performance awards and the value of the single-year increase in basic pay as a result of a quality step increase under this Instruction) and/or other accomplishments covered by AI No. 29 (reference (e)).

5.2. The Director for Personnel and Security, WHS, or the servicing personnel office, shall:

5.2.1. Advise and assist rating, reviewing, and approving officials in carrying out their performance management responsibilities.

5.2.2. Provide training and orientation on the performance appraisal program for employees and rating, reviewing, and approving officials.

5.2.3. Make awards budget allocations on a fiscal year basis. Allocations may change during a fiscal year as a result of augmentation or reduction in resources.

5.2.4. Review performance ratings and performance-based recognition for compliance with applicable laws, rules, regulations, policy, and provisions of this Instruction.

5.2.5. Process approved summary ratings and performance-based recognition.

5.2.6. Update and maintain employee performance files in accordance with 5 CFR 293 (reference (d)).

5.2.7. Provide feedback on performance management.

5.3. Heads of OSD Components shall:

5.3.1. Ensure expenditures on performance awards under this Instruction and incentive awards under AI No. 29 (reference (e)) for GS/GM, FWS, SL, ST, and SES employees assigned to the Component permanently or temporarily (including on details) do not exceed the awards budget allocation.

5.3.2. Approve or disapprove, within the awards budget allocation, nominations for monetary recognition (including performance awards and the value of the single-year increase in basic pay as a result of a quality step increase under this Instruction and incentive awards under AI No. 29 (reference (e))) for GS/GM, FWS, SL, and ST employees that would grant a gross cumulative dollar amount not in excess of \$5,000 per employee per fiscal year.

5.3.3. Recommend in writing to the Director, WHS (through the Assistant Director for Labor and Management Employee Relations, WHS Directorate for Personnel and Security) approval of a monetary award that would cause the gross cumulative dollar amount of monetary recognition (including performance awards and the value of the single-year increase in basic pay as a result of a quality step increase under this Instruction and incentive awards under AI No. 29 (reference (e))) granted to a GS/GM, FWS, SL, or ST employee to exceed \$5,000 in a fiscal year. Such justification shall document the employee's performance and accomplishments and why he or she is deserving of cumulative monetary recognition that exceeds \$5,000 in the fiscal year and that there are sufficient awards funds available to pay the recognition. Authority to recommend such approval may not be delegated.

5.3.4. Approve all ratings and any monetary recognition for Schedule C appointees. This authority may not be delegated.

5.3.5. Report to the Director for Personnel and Security, WHS, the number and percentage of quality step increases and performance awards approved for respective career and Schedule C employees as soon as possible, but no later than 90 days, after the end of each appraisal period.

5.4. Approving officials shall:

5.4.1. Resolve any disagreements between subordinate rating and reviewing officials on the establishment of employee performance plans and recommended ratings and performance-based recognition.

5.4.2. Review and act on recommended performance ratings with monetary recognition in a timely manner, ensuring accuracy and conformance with regulation, policy, and provisions of this Instruction.

5.4.3. Ensure that monetary recognition does not exceed available allocated funds.

5.4.4. Review and decide on requests for reconsideration of approved ratings. See section E7.7. (enclosure 7).

5.5. Reviewing officials shall:

5.5.1. Ensure that subordinate rating officials complete performance plans and ratings timely. See sections E4.2. and E4.4. (enclosure 4).

5.5.2. Review employee performance plans and ratings prepared by rating officials to ensure consistency and equity throughout and across subordinate organizations.

5.5.3. Approve or recommend approval of performance plans and ratings prepared by subordinate rating officials, giving fair consideration to any employee self-evaluation.

5.5.4. Ensure that only those employees whose performance exceeds normal expectations are rated above Acceptable.

5.5.5. Forward performance appraisals recommending monetary recognition to the appropriate approving official for approval, disapproval, or change.

5.5.6. Forward recommended ratings for Schedule C employees to the Head of the OSD Component for approval.

5.5.7. Review requests for reconsideration of a denied within-grade increase and advise the employee of the determination and appeal right (as applicable). See subsection E7.2.3. (enclosure 7).

5.5.8. Complete, secure approval of, and communicate approved performance plans, ratings, and performance-based recognition in the absence of the rating official or if the rating official fails to do so.

5.6. Rating officials shall:

5.6.1. Communicate organizational goals, objectives, and priorities to employees.

5.6.2. Encourage employee participation in establishing and revising (as necessary) performance plans. See subsection E4.2.2. (enclosure 4).

5.6.3. Discuss performance plans with employees and provide a written copy of the plan at the beginning of each appraisal period (or no later than 30 days after the beginning of each appraisal period or assignment of an employee to a position) and when plans are revised during the appraisal period. See subsections E4.2.1., E4.2.3., and E4.2.4. (enclosure 4).

5.6.4. Review and evaluate performance, comparing results achieved with performance plans. See sections E4.3. and E4.4. (enclosure 4).

5.6.5. Conduct one or more progress reviews with the employee during each appraisal period, in addition to providing regular, candid feedback on the quality of employee performance during the appraisal period. See section E4.3. (enclosure 4).

5.6.6. Prepare performance ratings and any performance-based recognition recommendations in a timely manner, giving consideration to any special ratings, employee self evaluations, etc. See section E4.4. (enclosure 4) and enclosure 5.

5.6.7. Discuss approved ratings with employees. See section E4.4. (enclosure 4).

5.6.8. Use the results of performance appraisal as a basis for appropriate personnel actions. See enclosure 7.

5.7. Employees shall:

5.7.1. Provide input to the performance plan.

5.7.2. Take responsibility to continuously improve performance, support team endeavors, develop professionally, and perform at their full potential.

5.7.3. Ask the rating official for clarification of the performance plan, should they have questions concerning performance expectations.

5.7.4. Propose to rating officials changes in the performance plan during the appraisal period, as needed.

5.7.5. Identify work problems and cooperate with rating officials to resolve them.

5.7.6. Complete training and development assignments to meet current or future job performance needs.

5.7.7. Provide a self-evaluation of performance during the appraisal period to the rating official within seven days of the end of the appraisal period, if they wish.

5.8. The Deputy Assistant Secretary of Defense (Civilian Personnel Policy), Office of the Assistant Secretary of Defense (Force Management Policy), issues DoD performance management policies and procedures; establishes the DoD Performance Appraisal System; and develops, or assists in the development of, performance management programs and monitors their implementation and effectiveness.

6. PROCEDURES

The procedures and requirements for performance management are in enclosures 4, 5, 6, and 7.

7. EFFECTIVE DATE

This Instruction is effective July 1, 1999, except that no provision of this Instruction shall be applied in such a way as to affect any administrative proceeding related to any action taken under provisions of reference (a) that is pending on July 1, 1999.



D.O. Cooke
Director

Enclosures - 8

- E1. References, continued
- E2. Definitions
- E3. Table of Contents for AI No. 63
- E4. Procedures and Requirements for Performance Appraisal
- E5. Recognizing and Rewarding Accomplishments Based on Performance
- E6. Identifying and Addressing Developmental Needs
- E7. Using the Results of Performance Appraisal as a Basis for
Appropriate Personnel Actions
- E8. DD Form 2799, "Employee Performance Plan and Results Report," July 1999

E1. ENCLOSURE 1

REFERENCES, continued

- (e) [Administrative Instruction No. 29](#), "Incentive and Honorary Awards Programs," July 1, 1999
- (f) [Administrative Instruction No. 33](#), "Merit Promotion," July 30, 1997
- (g) [Administrative Instruction No. 37](#), "Employee Grievances," February 24, 1989

E2. ENCLOSURE 2

DEFINITIONS

E2.1. TERMS

E2.1.1. Acceptable. Summary Level 3. Performance that meets an employee's performance requirement(s) or standard(s) at a level of performance above "Unacceptable" in the critical element(s) at issue.

E2.1.2. Acceptable Level of Competence. Performance by an employee that warrants advancement of the employee's rate of basic pay to the next higher step of the grade or the next higher rate within the grade of his or her position, subject to the current rating of record assigned from the most recently completed appraisal period being Acceptable or Excellent, completion of the requisite waiting period for advancement to the next higher step of the grade of the employee's position, and nonreceipt of an equivalent increase during the waiting period.

E2.1.3. Appraisal. The process under which performance is reviewed and evaluated.

E2.1.4. Appraisal Period. The established period of time for which performance will be reviewed and a rating of record will be prepared. The minimum appraisal period is 90 days.

E2.1.5. Appraisal Program. The specific procedures and requirements established under the policies and parameters of the DoD Performance Appraisal System.

E2.1.6. Appraisal System. DoD-wide policies and parameters established for governing performance appraisal programs under subchapter I of chapter 43 of 5 U.S.C. and subpart B of 5 CFR 430 (references (c) and (d)).

E2.1.7. Approving Official. The individual in the employee's performance appraisal chain who reviews and approves performance ratings and performance-based monetary recognition.

E2.1.8. Critical Element. A work assignment or responsibility of such importance that Unacceptable performance on the element would result in a

determination that an employee's overall performance is Unacceptable. Such elements shall be used to measure performance only at the individual level.

E2.1.9. Critical Element Rating. The rating used to describe the appraisal of each critical element of an employee's performance plan, i.e., Exceeded, Met, Unacceptable, or Not Rated.

E2.1.10. Current Rating of Record. The rating of record for the most recently completed appraisal period as provided in section E4.4. (enclosure 4).

E2.1.11. Day. Calendar day.

E2.1.12. Element Rating. See Critical Element Rating.

E2.1.13. Equivalent Increase. An increase or increases in an employee's rate of basic pay equal to or greater than the difference between the employee's rate of basic pay and the rate of basic pay for the next higher step of that grade or the next higher rate within the grade (5 CFR 531.407 (reference (d))).

E2.1.14. Excellent. Summary Level 5. Performance of an employee that exceeds performance standards in all critical elements of such employee's position.

E2.1.15. Head of an OSD Component. For purposes of this Instruction, a Head of an OSD Component is a DoD official who has approval authority for ratings and monetary recognition of Schedule C appointees, i.e., the Secretary of Defense and the Deputy Secretary of Defense; the Under Secretaries of Defense; the Assistant Secretaries of Defense who report directly to the Secretary of Defense or the Deputy Secretary of Defense; the General Counsel of the DoD; the Director, Operational Test and Evaluation; the Assistants to the Secretary of Defense who report directly to the Secretary of Defense or the Deputy Secretary of Defense; the Directors of the Defense Agencies and Field Activities who report directly to the Secretary of Defense or the Deputy Secretary of Defense; the Chairman of the Joint Chiefs of Staff; the Director of the Joint Staff; and the Chief Judge of the U.S. Court of Appeals for the Armed Forces.

E2.1.16. Modal Rating. The summary rating level assigned most frequently among the actual ratings of record that are:

E2.1.16.1. Assigned under the summary level pattern that applies to the employee's position of record on the date of the reduction in force;

E2.1.16.2. Given within the same competitive area, or within a larger subdivision of the area receiving operational support from the WHS Directorate for Personnel and Security Customer Support Operating Office, or area-wide, as determined by the WHS Director for Personnel and Security; and

E2.1.16.3. On record for the most recently completed appraisal period prior to the date of issuance of reduction in force notices or the cutoff date the WHS Director for Personnel and Security specifies prior to the issuance of reduction in force notices after which no new ratings will be put on record.

E2.1.17. Next Higher Rate Within the Grade. The rate of basic pay which exceeds a GM employee's existing rate of basic pay by one-ninth of the difference between the minimum and maximum rates of pay for the applicable general schedule grade or special salary rate schedule established under 5 U.S.C. 5305 (reference (c)), not to exceed the maximum rate for the grade.

E2.1.18. Opportunity to Demonstrate Acceptable Performance. A reasonable chance for the employee whose performance has been determined to be Unacceptable in one or more critical elements to demonstrate Acceptable performance in the critical element(s) at issue. The minimum duration of an opportunity period to demonstrate Acceptable performance is 30 days.

E2.1.19. Performance. The accomplishment of work assignments or responsibilities.

E2.1.20. Performance Appraisal. The process of reviewing and evaluating the accomplishment of work assignments or responsibilities.

E2.1.21. Performance Appraisal System. See Appraisal System.

E2.1.22. Performance Award. A lump sum payment to recognize and reward achievement on the basis of performance as reflected in the employee's most recent rating of record.

E2.1.23. Performance Plan. All of the written, or otherwise recorded, performance elements that set forth expected performance. A plan must include all critical elements and their performance standards.

E2.1.24. Performance Rating. The written, or otherwise recorded, appraisal of performance compared to the performance standard(s) for each critical element on

which there has been an opportunity to perform for the 90-day minimum appraisal period. A performance rating may include the assignment of a summary level.

E2.1.25. Performance Standard. The management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that must be met to be appraised at a particular level of performance. A performance standard may include, but is not limited to, quality, quantity, timeliness, and manner of performance.

E2.1.26. Permanent Position. A position filled by an employee whose appointment is not designated as temporary by law and does not have a definite time limitation of one year or less.

E2.1.27. Presidential Election Period. Any period beginning on June 1 in a calendar year in which the popular election of the President occurs and ending on January 20 (i.e., Inauguration Day) following the date of such election.

E2.1.28. Presumptive Rating. A rating of record that assumes a level of performance by an employee without an actual evaluation of that employee's performance during the appraisal period.

E2.1.29. Progress Review. Communicating with the employee about performance compared to the performance standards of critical elements.

E2.1.30. Quality Step Increase. An additional faster than normal step increase which may be granted in recognition of high quality performance by a general schedule employee who has not reached the maximum pay rate for the grade in which his or her position is placed and who has not received a performance award for the same appraisal period and who has received an Exceeded rating on each critical element of his or her performance plan and an Excellent (Summary Level 5) rating of record for the most recently completed appraisal period.

E2.1.31. Rate of Basic Pay. The rate of pay fixed by law or administrative action for the position held by an employee before any deductions and exclusive of additional pay of any kind.

E2.1.32. Rating Official. Normally the employee's first level supervisor who prepares the employee's written performance plan and rating.

E2.1.33. Rating of Record. The performance rating prepared at the end of an appraisal period for performance over the entire period and the assignment of a summary level or a more current rating prepared when a within-grade increase decision is not consistent with the most recent rating prepared at the end of an appraisal period (5 CFR 531.404(a)(1) (reference (d))). These constitute the official ratings of record referenced in this Instruction.

E2.1.34. Reduction in Grade. The involuntary assignment of an employee to a position at a lower classification or job grading level.

E2.1.35. Removal. The involuntary separation of an employee from employment with an Agency.

E2.1.36. Reviewing Official. An individual in the employee's supervisory chain who is normally the rating official's immediate supervisor.

E2.1.37. Special Rating. A rating prepared for performance over a period other than the entire annual appraisal period. Special ratings shall be considered in preparing the annual rating of record but shall not be the basis for granting a performance award or quality step increase.

E2.1.38. Summary Level. The overall rating of the employee's performance derived from the critical element ratings.

E2.1.39. Summary Level Deviation. When only one element is rated met and performance on all other elements exceeds the met level to the degree the employee warrants a summary level of Excellent (*Summary Level 5*). *Heads* of OSD Components may approve summary level deviations.

E2.1.40. Unacceptable. Summary Level 1. Performance of an employee that fails to meet established performance standards in one or more critical elements of such employee's position. An Unacceptable summary rating shall be assigned if and only if performance on one or more critical elements is appraised as Unacceptable (5 CFR 430.208(b)(1) (reference (d))).

E3. ENCLOSURE 3TABLE OF CONTENTS FOR AI NO. 63

<u>SECTION</u>	<u>PAGE</u>
1. REISSUANCE AND PURPOSE	1
2. APPLICABILITY	1
3. DEFINITIONS	2
4. POLICY	3
5. RESPONSIBILITIES	4
5.1. The Director, Washington Headquarters Services (WHS)	4
5.2. The Director for Personnel and Security, WHS	4
5.3. Heads of OSD Components	5
5.4. Approving Officials	6
5.5. Reviewing Officials	6
5.6. Rating Officials	7
5.7. Employees	8
5.8. The Deputy Assistant Secretary of Defense (Civilian Personnel Policy), OASD(FMP)	8
6. PROCEDURES	8
7. EFFECTIVE DATE	9
E1. REFERENCES, continued	10
E2. DEFINITIONS	11
E2.1. Terms	11
E3. TABLE OF CONTENTS FOR AI NO. 63	16
E4. PROCEDURES AND REQUIREMENTS FOR PERFORMANCE APPRAISAL	18
E4.1. Performance Appraisal	18
E4.2. Performance Planning	18
E4.3. Performance Monitoring	22
E4.4. Performance Rating	22

<u>SECTION</u>	<u>PAGE</u>
E5. RECOGNIZING AND REWARDING ACCOMPLISHMENTS BASED ON PERFORMANCE	31
E5.1. Performance-Based Recognition	31
E5.2. Performance Awards	31
E5.3. Quality Step Increases	33
E6. IDENTIFYING AND ADDRESSING DEVELOPMENTAL NEEDS	34
E6.1. During the Appraisal Period	34
E6.2. At the End of the Appraisal Period	34
E6.3. Optional Use of Part D of DD Form 2799	34
E7. USING THE RESULTS OF PERFORMANCE APPRAISAL AS A BASIS FOR APPROPRIATE PERSONNEL ACTIONS	35
E7.1. Probation	35
E7.2. Within-Grade Increases	36
E7.3. Promotion	43
E7.4. Training and Development	43
E7.5. Actions Based on Unacceptable Performance	44
E7.6. Reduction in Force	48
E7.7. Requests for Reconsideration of an Approved Rating of Record	49
E7.8. Grievances of an Approved Rating of Record	51
E8. DD Form 2799, "Employee Performance Plan and Results Report," July 1999	52

E4. ENCLOSURE 4

PROCEDURES AND REQUIREMENTS FOR PERFORMANCE APPRAISAL

E4.1. PERFORMANCE APPRAISAL

The appraisal process has three components: performance planning, performance monitoring, and performance rating.

E4.2. PERFORMANCE PLANNING

E4.2.1. Performance Plan

E4.2.1.1. A performance plan shall be prepared for each employee assigned permanently to a position for 90 days or more, or temporarily to a position for 120 days or more.

E4.2.1.2. Performance plans shall normally identify and measure work outputs, achievements, and results rather than the work processes employed to produce the results.

E4.2.1.3. Plans shall reflect the responsibilities and requirements of the position; be recorded in Part A of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8); be approved by the reviewing official; be communicated to the employee in writing at the beginning of each appraisal period (or no later than 30 days after the beginning of each appraisal period or assignment of an employee to a position); be reviewed periodically by the rating official and the employee; and be updated as necessary.

E4.2.1.4. Performance plans shall be the basis for performance appraisal, and performance appraisal the basis for personnel decisions. See enclosure 7.

E4.2.1.5. Performance plans may include elements and standards identified on DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8), with job and organization specific measures, or other elements and standards that describe performance expectations for the position and that meet legal and managerial requirements.

E4.2.2. Employee Participation

E4.2.2.1. Employees are encouraged to participate in developing the performance plan. Employee participation may be accomplished by means including, but not limited to, the following:

E4.2.2.1.1. The rating official and employee each develop a draft performance plan by using position descriptions, organization mission statements, the generic performance elements (see DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8)), and any other guidance to determine the elements that are critical to the position and the standards that will appropriately measure performance.

E4.2.2.1.2. The rating official and employee develop a draft performance plan jointly.

E4.2.2.1.3. The rating official develops the performance plan and considers employee comments.

E4.2.2.1.4. The employee develops a draft performance plan and provides it to the rating official for consideration.

E4.2.2.1.5. A group of employees occupying similar positions with similar duties and responsibilities drafts a proposed performance plan for the rating official's consideration.

E4.2.2.2. Disagreement over the content of the plan should be resolved by the rating official and employee, if possible. The rating and reviewing officials have approval authority over the content of the performance plan.

E4.2.3. Critical Elements

E4.2.3.1. There shall be at least one critical element that addresses individual performance and normally no more than five critical elements in a performance plan.

E4.2.3.2. Failure to meet the standards for a single critical element results in overall Unacceptable performance and requires initiation of action to assist the employee in improving his or her performance to the Acceptable level.

E4.2.3.3. Collateral duties, such as equal employment opportunity counseling, are not an integral part of the position and will usually not be included in performance plans. However, rating officials must be aware that the impact of assigned collateral duties on established performance standards may require revision of employee performance plans.

E4.2.4. Performance Standards

E4.2.4.1. A performance standard or standards describing Acceptable performance (i.e., performance at the element rating level "Met") shall be established for each critical element. A performance standard or standards may be established at other levels for each critical element.

E4.2.4.2. A well-defined performance standard describes management's expectations for Acceptable performance of a critical element based on the duties and responsibilities of the position and the authority of the incumbent to perform. It must be reasonable and attainable by a competent employee; be set at a level high enough to meet the needs of the position and to motivate the employee toward excellence; and leave room for the employee to exceed the standard.

E4.2.4.3. A standard is expressed as a range of performance to obtain expected results, usually in terms of quality, quantity, manner of performance, expected results, and timeliness of work; degree of initiative exercised or supervision required; and effectiveness of interactions with co-workers, customers, and supervisors. Standards must, to the maximum extent feasible, permit the accurate evaluation of job performance based on the foregoing.

E4.2.4.4. Absolute (i.e., pass/fail) standards are to be avoided. This type of standard is one wherein a single instance of failure to meet the standard results in Unacceptable performance. An absolute standard is appropriate only when management can prove that a single failure to meet the standard could result in death, injury, breach of national security, or great monetary loss. Standards may become absolute if they describe only what the employee is supposed to do and do not provide measures of how well the work is supposed to be performed.

E4.2.4.5. Standards of conduct (e.g., for tardiness, absenteeism, insubordination) shall not be included in performance standards. Similarly, personal traits (e.g., resourcefulness, dependability) are rarely an appropriate basis for performance appraisal. Conduct problems normally will be corrected through disciplinary procedures, rather than by the performance appraisal process.

E4.2.4.6. There may be more than one statement of measures for each element. Combined they comprise the standards for performance of the critical element.

E4.2.5. Special Requirements

E4.2.5.1. There are certain critical elements that will probably be applicable to all positions covered by this Instruction to some degree (see DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8)). Personnel management or human resources management shall be identified as a separate critical element for supervisory positions and include an assessment of the supervisor's performance in equal employment opportunity (EEO). Performance plans shall also provide for appraisal of performance on any other critical elements required by law, regulation, or policy.

E4.2.5.2. Rating officials shall consult other staff officials (e.g., the WHS Director for Personnel and Security, the EEO Officer, the Safety Officer) and team leaders who may have special knowledge of performance during the appraisal period. Staff officials, however, shall have no official role in rating, reviewing, or approving performance appraisals for employees other than those under their personal supervision. Team leaders shall have no official role in the appraisal process other than to provide documented input of the employee's performance during the appraisal period to the rating official. Any data provided by staff officials and team leaders must be fully documented and derived from an official source. Further, if the data are relied on to any extent by the rating official, they should be given to the reviewing and approving official(s). They must also be made known to the employee during the appraisal process, with a copy provided to the employee upon his or her request.

E4.3. PERFORMANCE MONITORING

E4.3.1. Rating officials are encouraged to have on-going discussions with employees concerning performance. In addition, to the maximum extent possible, progress reviews shall be informative and developmental in nature and shall focus on how to improve future performance.

E4.3.2. At a minimum there shall be one progress review approximately midway through the appraisal period. This review shall be scheduled and include a discussion of the employee's performance relative to each critical element; changes in priorities, responsibilities, and resources; performance successes; performance deficiencies; how deficiencies may be corrected; and proposals for developing the skills necessary for effective performance. The midyear progress review, and any other progress review(s), shall be documented in Part B of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8).

E4.3.3. A review shall be scheduled if the employee's assignment changes significantly during the appraisal period. Changes in mission, organization, and technology or priorities; revisions to position descriptions; or changes to performance standards which were set too high or too low may require revised performance plans.

E4.3.3.1. Changes in performance plans must be introduced far enough before the end of the appraisal period (and in no case less than 90 days prior to the end of the appraisal period) to give the employee an opportunity to meet revised performance standards. Such changes shall be accomplished in the same manner as development of the initial performance plan and documented in Part A of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). The revised plan is effective upon review and approval by the reviewing official.

E4.3.3.2. Refer to subparagraph E4.4.3.6.4., below, for a discussion of changes in performance plans less than 90 days before the end of the appraisal period.

E4.4. PERFORMANCE RATING

E4.4.1. General

E4.4.1.1. Employees may provide a self-evaluation of performance during the appraisal period to the rating official for consideration in preparation of the

recommended rating. Such self-evaluations shall be completed and turned in no later than seven days after the end of the appraisal period.

E4.4.1.2. Within 20 days of the end of the appraisal period, the rating official shall prepare a proposed Part C of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). The official shall consider the performance during the entire appraisal period, i.e., the employee's actual performance compared to the current performance plan, performance during the appraisal period under other plans as evaluated in any special ratings under subsection E4.4.4., below, and/or summary ratings under subsection E4.4.6., below, and any self-evaluation provided by the employee. Due weight shall be given to such factors as length of time covered by special ratings and summary ratings, similarity between job elements and performance standards, and explanations of employee strengths and/or weaknesses. Such special ratings, summary ratings, and employee self-evaluations shall be attached to DD Forms 2799 (Parts A, B, C, and D if completed) and forwarded to the reviewing official.

E4.4.1.3. Performance ratings and performance-based personnel actions shall be reviewed and approved by officials at a higher level in the organization than the rating official. The rating official shall discuss proposed element and summary ratings with the reviewing and approving official(s) before discussion with the employee. When there is disagreement over the proposed rating, the disagreement shall be resolved by the approving official. When the Head of the OSD Component is the rating official, higher level review/approval of Excellent (Summary Level 5) and Acceptable (Summary Level 3) ratings and awards is not required. When the Secretary of Defense is the rating official, higher level review/approval is not required for Excellent (Summary Level 5), Acceptable (Summary Level 3), or Unacceptable (Summary Level 1) ratings, actions based on Unacceptable performance taken under 5 CFR 432 (reference (d)), and decisions on requests for reconsideration of negative level of competence determinations made under 5 CFR 531.410 (reference (d)).

E4.4.1.4. The rating of record shall not be communicated to the employee before approval of the summary rating. This does not preclude communication about appraisal of performance between a rating official and an employee prior to determination of a rating of record. All employees shall sign and date performance ratings after approval and signature by the approving official. If an employee refuses to sign and date a performance rating, it shall be annotated and finalized as stated in the Instructions for DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8).

E4.4.1.5. The complete original approved DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8) with all signatures and dates are due in the WHS Directorate for Personnel and Security Labor and Management Employee Relations Division, or servicing personnel office, no later than 60 days after the end of the appraisal period.

E4.4.1.6. Ratings of record shall not be:

E4.4.1.6.1. Issued which assume a level of performance by an employee without an actual evaluation of that employee's performance during the appraisal period (i.e., presumptive ratings are not permitted).

E4.4.1.6.2. Carried over from one appraisal period to the next as the rating of record without an actual evaluation of the employee's performance during the subsequent appraisal period.

E4.4.1.6.3. Produced or changed retroactively to cover an earlier appraisal period. A new or amended rating will not normally be permitted after the deadline for receipt of approved ratings of record in the WHS Directorate for Personnel and Security (i.e., no later than 60 days after the end of the appraisal period) has passed, and, in no case, when more than six months have passed since the end of the appraisal period. A rating of record may be produced or changed after the deadline under the following circumstances:

E4.4.1.6.3.1. Within 60 days of the employee's receipt of an approved rating of record based on the decision of the approving official in a request for reconsideration under section E7.7. (enclosure 7).

E4.4.1.6.3.2. As a result of a grievance, complaint, or other formal proceeding permitted by law or regulation that results in a final determination by appropriate authority that the rating of record must be changed or as part of a bona fide settlement of such a formal proceeding.

E4.4.1.6.3.3. Where the Head of the OSD Component determines that a rating of record was incorrectly recorded or calculated. This authority may not be delegated.

E4.4.2. Appraisal Periods. Unless specified otherwise, the minimum appraisal period is 90 days. This means that an employee must have been in receipt of and serving under the approved performance plan for his or her position for a minimum of

90 days before a rating can be prepared. Additionally, an employee must have been assigned to a covered position on the last day of the appraisal period in order to be ratable and eligible for receipt of any monetary recognition based on performance. A rating shall be prepared as of the end of the employee's appraisal period, including extensions, and approved in accordance with applicable instructions.

E4.4.3. Annual

E4.4.3.1. The appraisal period for covered GS-12 and below and all FWS employees is normally April 1 of the current year through March 31 of the succeeding calendar year.

E4.4.3.2. The appraisal period for employees assigned to GS/GM-13, -14, and -15, SL, and ST positions is normally July 1 of the current year through June 30 of the succeeding calendar year.

E4.4.3.3. A rating shall also be completed as of:

E4.4.3.3.1. The date the rating official leaves, if the official's departure is less than 90 days before the end of the scheduled appraisal period and the employee has been under the approved performance plan for his or her position for at least 90 days.

E4.4.3.3.2. The date the employee leaves, if his or her departure is less than 90 days before the end of the scheduled appraisal period and he or she has been under the approved performance plan for his or her position for at least 90 days.

E4.4.3.4. Ratings prepared under the circumstances in subparagraphs E4.4.3.3.1. and E4.4.3.3.2., above, shall become the current annual performance rating of record. Whereas the due date of the employee's next annual rating is not affected, the appraisal period is lengthened because the employee's next annual appraisal period shall begin on the effective date of the rating official's departure or the employee's assignment in the new position, as appropriate, or upon the employee's receipt of the approved performance plan for his or her position, whichever is later.

E4.4.3.5. When an employee covered by this Instruction is assigned to a position, the annual appraisal period shall commence on the date the employee enters the position by new appointment, transfer, promotion, change to lower grade, or upon receipt of the approved performance plan for his or her position, whichever is later. The ending date of the appraisal period is the date specified in paragraph E4.4.3.1., E4.4.3.2., or E4.4.3.3., above, as applicable.

E4.4.3.6. Extension of the Annual Appraisal Period

E4.4.3.6.1. When an annual rating of record cannot be prepared as of the specified time, the appraisal period shall be extended for the minimum period (and in no case, for more than 90 days) to meet the conditions necessary to complete a rating of record. The rating of record shall be prepared in accordance with the instructions.

E4.4.3.6.2. Whereas an extension of an appraisal period will not affect future due dates, it shortens the next appraisal period (the "from" date) by the length of the extension. When an extension of an appraisal period is approved, the rating official shall immediately inform the employee and the reviewing and approving official(s).

E4.4.3.6.3. Situations in which extension is appropriate are:

E4.4.3.6.3.1. To meet the 90-day minimum appraisal period (mandatory except as provided in subparagraph E4.4.3.6.4., below).

E4.4.3.6.3.2. To provide a new rating official an opportunity to observe an employee's performance against current requirements when information concerning the employee's past performance is not available.

E4.4.3.6.3.3. To appraise employees whose overall performance has been less than Acceptable due to a personal problem (e.g., extended illness, alcoholism, or other handicapping condition) when there is evidence of improvement in performance.

E4.4.3.6.3.4. To provide an employee who has been notified of failure to meet the performance standards on one or more critical elements of the position an opportunity to improve performance.

E4.4.3.6.4. Appraisal periods shall not be extended because a performance plan is revised less than 90 days before the end of the scheduled appraisal

period if the original plan was in effect for at least 90 days immediately before the revision. In this circumstance, the original plan shall be used for the current appraisal period, and the revised plan shall be effective as of the beginning of the subsequent appraisal period or upon receipt by the employee, whichever is later.

E4.4.4. Special Ratings. In the following circumstances, rating officials shall rate each job element and assign a summary level in Part C of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). Special ratings of performance during the appraisal period shall be considered by the rating official of the employee's permanent position in completing the employee's annual rating. A special rating shall not serve as the basis for a performance award or quality step increase recommendation. Extensions of special appraisal periods are not applicable.

E4.4.4.1. Details and Temporary Promotions

E4.4.4.1.1. When an employee is detailed or temporarily promoted within a Component covered by this Instruction and the detail or temporary promotion is expected to last 120 days or longer, the supervisor of the position to which the employee is detailed or temporarily promoted shall provide written critical elements and performance standards on DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8), to the employee as soon as possible but no later than 30 days after the beginning of the detail or temporary promotion. At the end of a detail or temporary promotion which lasted for at least 90 days, the supervisor shall prepare a special summary rating on DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). He or she shall discuss the proposed rating with the reviewing official prior to discussion with the employee. The employee shall be given the opportunity to provide written comments on the appraisal prior to the approval of the rating by the reviewer. The reviewer shall sign and date the rating as the approving official after consideration of the employee's comments, if any. The rating official shall discuss the approved summary rating with the employee, obtain the employee's signature and date, and provide the employee a copy. *The original of the approved special rating shall be sent to the administrative officer of the employee's component for transmittal to the rating official of the employee's permanent position.*

E4.4.4.1.2. When an employee is detailed or temporarily promoted outside of coverage of this Instruction, the rating official of the employee's position of record shall make a reasonable effort to obtain appraisal information from the outside Agency if the employee has served 90 days or more on such assignment.

E4.4.4.2. Departure of the rating official or employee 90 days or more before the end of the annual appraisal period when the employee has been under the performance plan for his or her position for a minimum of 90 days.

E4.4.4.2.1. When the rating official departs his or her position, he or she shall prepare a special summary rating on DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8), as described in subparagraph E4.4.4.1.1., above. The employee shall receive a copy of the approved special rating. The reviewing official shall retain the original of the approved special rating for the new rating official.

E4.4.4.2.2. When the employee moves to another position, the rating official shall prepare a special summary rating on DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8), as described in subparagraph E4.4.4.1.1., above. The employee shall receive a copy of the approved special rating. *The original of the approved special rating shall be sent to the administrative officer of the employee's component for transmittal to the new rating official.*

E4.4.4.3. An acceptable level of competence determination is not consistent with the GS/GM employee's most recent rating of record. Note that this special rating shall become the employee's rating of record in accordance with 5 CFR 531.404(a)(1) (reference (d)). See subsection E7.2.2. (enclosure 7).

E4.4.4.4. When performance improves to the Acceptable or Excellent level 90 days or more after assignment of an Unacceptable summary rating. In this instance, a new summary rating shall be prepared when the employee has been under the performance plan for his or her position for a minimum of 90 days and performing at the Acceptable level during that period.

E4.4.5. Element Ratings. When preparing performance ratings, the rating official shall assign one of four element ratings--Unacceptable, Met, Exceeded, or Not Rated--for each critical element. Employees are entitled to the element rating that most accurately describes their performance compared to the performance standard(s) for the element during the appraisal period. Not Rated shall be used only when an employee has had no opportunity to demonstrate performance on an element (e.g., performance standard revised too near the end of the appraisal period). Only elements that are rated shall be considered in determining the summary rating level. An

employee shall not be penalized for what he or she was not permitted or given the opportunity to do during the appraisal period.

E4.4.6. Summary Rating Levels

E4.4.6.1. One of the three summary rating levels, based on assigned element ratings, shall be used to describe the quality of the employee's overall performance. The following shall be used to determine the overall rating:

<u>Level</u>	<u>Summary Rating</u>	<u>Criteria</u>
5	Excellent	Exceeds performance standards for all critical elements and is deserving of an overall summary rating level of Excellent.
3	Acceptable	Meets performance standards for all critical elements. Is deserving of an overall summary rating level of Acceptable.
1	Unacceptable	Fails to meet performance standards for one or more critical elements.

E4.4.6.2. In some cases, an accurate summary rating level based on element ratings will not result. *When an employee exceeds the performance standards for all critical elements but one and his or her performance on all other elements exceeds the Met level to the degree the employee warrants a summary rating of Excellent, Heads of OSD Components may approve a deviation to an Excellent summary rating level.* Summary level deviations shall be fully explained in Part C, Block 9, of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). NOTE: Deviation to or from the Unacceptable summary rating level is not permitted (5 CFR 430.208(b)(1) (reference (d))).

E4.4.6.3. The rating of record for a disabled veteran shall not be lowered because the veteran has been absent from work to seek medical treatment as provided in Executive Order 5396 (5 CFR 430.208(f) (reference (d))).

E4.4.6.4. When an employee's performance is rated Unacceptable on one or more critical elements, the rating official must notify the employee in writing of the specific nature of the employee's performance deficiencies and take action to assist the employee in improving his or her performance. Such assistance may include, but is not limited to, formal training, on-the-job training, counseling, and closer supervision. Also, the employee must be informed in writing that performance of a critical element must reach and be sustained for one year at the Met level for retention in the position. If the employee's performance remains at the Unacceptable level after a reasonable opportunity to improve (in no case will the length of time be less than 30 days), action shall be initiated to remove that employee from the position based on Unacceptable performance.

E4.4.6.5. Employees are entitled to the summary rating level that most accurately describes their overall level of performance during the appraisal period. Only those employees whose performance exceeds normal expectations should be rated Excellent (Summary Level 5). Pre-established or forced distribution of summary rating levels is prohibited.

E4.4.7. Inability to Rate

E4.4.7.1. There may be an inability to rate an employee at the end of the appraisal period, in which case no rating of record shall be recorded for the employee for that appraisal period.

E4.4.7.2. Employees covered by this Instruction are not ratable in the following situations:

E4.4.7.2.1. The employee was not given an approved performance plan for his or her position.

E4.4.7.2.2. The employee was on long-term training and did not serve under a performance plan for the 90-day minimum appraisal period.

E4.4.7.3. Presumptive ratings are prohibited (5 CFR 430.208(a)(2) (reference (d))).

E5. ENCLOSURE 5

RECOGNIZING AND REWARDING ACCOMPLISHMENTS BASED ON PERFORMANCE

E5.1. PERFORMANCE-BASED RECOGNITION

E5.1.1. Awards are tools to acknowledge, motivate, and reward significant achievements or contributions and shall be an integral part of performance management.

E5.1.2. The granting of awards is discretionary, not an entitlement, subject to approval at the appropriate level above the rating official unless the rating official is the Secretary of Defense, the Deputy Secretary of Defense, or a Head of an OSD Component as defined in section E2.1.15. (enclosure 2).

E5.1.3. Employees shall not be given the choice of recognition, nor advised that they are under consideration for, or have been nominated for, performance-based recognition.

E5.2. PERFORMANCE AWARDS

E5.2.1. A performance award is a lump sum cash payment which may be granted to an employee whose most recent rating of record is at least Acceptable (Summary Level 3) and whose performance on one or more critical elements is rated Exceeded.

E5.2.2. Heads of OSD Components must ensure their annual expenditure for performance awards under this Instruction and for superior accomplishment, special act or service, and supervisor's cash awards under AI No. 29 (reference (e)) for GS/GM, FWS, SL, ST, and SES employees is within their allocation.

E5.2.3. Subject to the awards budget allocation, Heads of OSD Components may approve monetary recognition that would not grant a cumulative gross total of more than \$5,000 per fiscal year to an employee covered by this Instruction for performance (including performance awards and the value of the single-year increase in basic pay as a result of a quality step increase) and other accomplishments (see AI No. 29 (reference (e))). A cumulative total that would grant a covered employee more than \$5,000 in a fiscal year (including the value of the single-year increase in basic pay as a result of a quality step increase) requires written justification from the Head of the

OSD Component to the Director, WHS, through the Assistant Director for Labor and Management Employee Relations, Directorate for Personnel and Security, WHS. Such justification shall document the employee's performance and accomplishments and why the employee is deserving of cumulative monetary recognition (including the value of the single-year increase in basic pay as a result of a quality step increase) that would grant him or her in excess of \$5,000 in the fiscal year. The memorandum must include a statement that there are sufficient awards funds available within the Component's awards allocation to pay the award. The Head of the OSD Component may not delegate the authority to initiate such requests. The approving authority is the Director, WHS.

E5.2.4. When an award is paid as a percentage of basic pay, the rate of basic pay shall be that in effect on the last day of the employee's appraisal period for which the rating of record was approved and shall not take into account any adjustments (i.e., any locality-based comparability payment, an interim geographic adjustment, or special law enforcement adjustment) (5 CFR 451.104(g) (reference (d))).

E5.2.5. Components are encouraged to recognize performance on a relative basis so that higher performance awards are approved for employees receiving higher ratings than the awards for those receiving a lower rating in the same unit at the same grade. The following table provides guidance in determining the amount of a performance award based on the most recent rating of record:

<u>Level of Performance</u>	<u>Percentage of Basic Pay</u>
Excellent	2.5% to 5.0%
Acceptable	1.0% to 2.4%

E5.2.6. Award nominations for Schedule C appointees covered by this Instruction at the GS-12 and below levels must clearly document performance that is clearly exceptional and shall not exceed 3.5 percent of the appointee's basic pay on the last day of the appraisal period.

E5.2.7. Schedule C appointees paid a salary level that exceeds that of a GS-12 are not eligible for a performance award.

E5.2.8. During a Presidential election period, a Schedule C appointee may not under any circumstances receive an award in the form of cash (subchapter 451 of DoD 1400.25-M (reference (b))).

E5.3. QUALITY STEP INCREASES (QSI)

E5.3.1. A QSI may be granted to an employee assigned to a permanent position in the General Schedule (GS/GM) who receives an Exceeded rating on each critical element of his or her performance plan and a rating of record of Excellent (Summary Level 5). It provides an incentive for and recognition of higher quality performance than is normally found in the type of position concerned by granting a faster than normal step increase. Therefore, the employee must have been rated Exceeded on all elements; i.e., the Excellent (Summary Level 5) rating shall not have been derived by using the summary level deviation provision in paragraph E4.4.6.2. (enclosure 4).

E5.3.2. A QSI becomes part of base pay. As such, it has prolonged impact and should be based on performance that is characteristic of the employee's overall high quality performance. Therefore, a QSI may be approved no more frequently than once within any consecutive 104-week period and then only when the employee is expected to remain in the same position for at least 60 days after the effective date of the QSI and the high quality performance is expected to continue.

E5.3.3. Employees promoted or appointed during the appraisal period are not eligible for a *QSI*.

E5.3.4. A QSI will not change the effective date of the employee's normal within-grade increase (WGI) except where receipt of a QSI places an employee in the fourth or seventh step of a grade. In these instances, the waiting period for a regular WGI is extended by 52 weeks under the graduated waiting period schedule prescribed in law and regulation (5 U.S.C. 5335(a) and 5 CFR 531.405 (references (c) and (d))).

E5.3.5. A QSI is effective normally on the first day of the first pay period following approval. If an employee completes the required waiting period and the conditions of eligibility for a WGI which is to be effective on the same date as the approved QSI, the increases shall be processed on that date in the order which will provide the maximum benefit to the employee.

E6. ENCLOSURE 6

IDENTIFYING AND ADDRESSING DEVELOPMENTAL NEEDS

E6.1. DURING THE APPRAISAL PERIOD

During the course of the appraisal period, the rating official and/or employee may identify the need for training and/or developmental opportunities that would be beneficial to the Agency and which would enhance the employee's knowledge, skills, or abilities related to the employee's job performance in his or her current position. The WHS Directorate for Personnel and Security NCR Human Resource Services Center has a variety of source catalogs, and staff are available to assist in addressing developmental needs. In some cases, tuition assistance may be available.

E6.2. AT THE END OF THE APPRAISAL PERIOD

At the end of the appraisal period, the rating official may complete Part D of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). Section II is the "Employee Development/Work Skills Plan" in which classes, training opportunities, and developmental assignments desirable for improving/enhancing the employee's knowledge, skills, and abilities related to the employee's job performance in his or her current position may be documented. Completion of Part D of DD Form 2799 is optional.

E6.3. OPTIONAL USE OF PART D OF DD FORM 2799

Training and developmental opportunities listed in Section II of Part D of DD Form 2799 are merely suggestions or recommendations and are not an employee entitlement or a commitment that management will provide such opportunities to the employee. Appropriate procedures shall be initiated independently to obtain necessary approvals.

E7. ENCLOSURE 7

USING THE RESULTS OF PERFORMANCE APPRAISAL AS A BASIS FOR APPROPRIATE PERSONNEL ACTIONS

E7.1. PROBATION

E7.1.1. Probation on Initial Appointment to a Competitive Position (subpart H of 5 CFR 315 (reference (d)))

E7.1.1.1. The rating official shall evaluate a probationary employee to determine whether he or she has demonstrated the ability to successfully perform the assigned functions of his or her position and his or her fitness for continued employment.

E7.1.1.2. An employee may be removed at any time during the probationary period if his or her performance is less than Acceptable (Summary Level 3). The rating official shall advise the employee in writing as to why he or she is being terminated and the effective date of the termination. As a minimum the notice shall consist of the official's conclusions as to the inadequacies of the employee's performance.

E7.1.1.3. Probation ends when the employee completes his or her scheduled tour of duty on the day before the anniversary date of the employee's appointment; therefore, a termination for Unacceptable performance during a probationary period must be effective prior to the end of that tour of duty.

E7.1.2. Probation on Initial Appointment to a Supervisory or Managerial Position (subpart I of 5 CFR 315 (reference (d)))

E7.1.2.1. An employee is required to serve a probationary period upon initial appointment to a supervisory and/or managerial position.

E7.1.2.2. Satisfactory completion of the prescribed probationary period is a prerequisite to continued service in the position. An employee who, for reasons of supervisory or managerial performance, does not satisfactorily complete the probationary period is entitled to be assigned, except as provided in paragraph E7.1.2.3., below, to a position of no lower grade and pay than the one the employee left to accept the supervisory or managerial position.

E7.1.2.3. A nonsupervisory or nonmanagerial employee who is demoted into a position in which a probationary period is required and who, for reasons of supervisory or managerial performance, does not satisfactorily complete the probationary period is entitled to be assigned to a position at the same grade and pay as the position in which he or she was serving probation.

E7.1.2.4. The rating official must notify the employee in writing that he or she is being assigned in accordance with this subsection.

E7.2. WITHIN-GRADE INCREASES (WGI)

E7.2.1. Earning WGIs

E7.2.1.1. An employee occupying a permanent position classified and paid under the General Schedule (GS/GM) who is paid less than the maximum rate of pay of his or her grade is entitled to advancement to the next higher step of the grade or to the next higher rate of pay for that grade (i.e., a WGI). Except as provided in paragraph E7.2.4.2., below, a WGI shall be effective on the first day of the first pay period following the employee meeting the following statutory requirements:

E7.2.1.1.1. The employee's performance must be at an acceptable level of competence (i.e., the most recent rating of record shall be at least Acceptable (Summary Level 3)).

E7.2.1.1.1.1. The rating of record used as the basis for an acceptable level of competence determination for a WGI must have been assigned no earlier than the most recently completed appraisal period.

E7.2.1.1.1.2. When a WGI decision is not consistent with the employee's most recent rating of record, a more current rating of record shall be prepared.

E7.2.1.1.2. The employee must have completed the required waiting period for advancement to the next higher step of the grade of his or her position (5 CFR 531.405 (reference (d))).

E7.2.1.1.3. The employee must not have received an equivalent increase during the waiting period (5 CFR 531.407 (reference (d))).

E7.2.1.2. An employee paid under a regular Federal Wage System (FWS) schedule (including a temporary employee) with an Acceptable (Summary Level 3) or Excellent (Summary Level 5) rating of record shall advance automatically to the next higher step within his or her grade (i.e., receive a WGI) at the beginning of the first pay period following the day the employee completes the applicable service in the current step (5 CFR 532.417 (reference (d))).

E7.2.2. Acceptable Level of Competence Determinations (GS/GM)

E7.2.2.1. Basis for Determination. An acceptable level of competence determination shall be based on a current rating of record. If an employee has been reduced in grade because of Unacceptable performance and has served in one position at the lower grade for at least 90 days under the performance plan for that position, a rating of record at the lower grade shall be used as the basis for an acceptable level of competence determination.

E7.2.2.2. Delay in Acceptable Level of Competence Determination

E7.2.2.2.1. An acceptable level of competence determination must be delayed when, and only when, either of the following applies:

E7.2.2.2.1.1. An employee has not had a 90-day minimum period of time to demonstrate Acceptable performance because he or she has not been informed of the specific requirements for performance at an acceptable level of competence (i.e., received the performance plan) in his or her position and the employee has not been given a performance rating in any position within 90 days before the end of the waiting period.

E7.2.2.2.1.2. An employee is reduced in grade because of Unacceptable performance to a position in which he or she is eligible for a WGI or will become eligible within 90 days.

E7.2.2.2.2. When an acceptable level of competence determination has been delayed:

E7.2.2.2.2.1. The employee shall be informed that his or her determination is postponed and the appraisal period extended and told of the specific requirements for performance at an acceptable level of competence (i.e., given the performance plan for his or her position).

E7.2.2.2.2. An acceptable level of competence determination shall be made after the employee has been under the performance plan for 90 days and based on the employee's rating of record completed at the end of the extended appraisal period.

E7.2.2.2.3. If, following the delay, the employee's performance is determined to be at an acceptable level of competence, the WGI shall be granted retroactively to the beginning of the pay period following completion of the applicable waiting period.

E7.2.2.2.4. If, following the delay, the employee's performance is determined not to be at an acceptable level of competence, the rating official shall prepare an Unacceptable rating of record and give the employee a negative level of competence determination. See paragraph E7.2.2.4., below.

E7.2.2.3. Waiver of Requirement for Determination

E7.2.2.3.1. An acceptable level of competence determination shall be waived and a WGI granted when an employee has not served in any position for the 90-day minimum appraisal period during the final 52 calendar weeks of the waiting period for one or more of the following reasons:

E7.2.2.3.1.1. Absences that are creditable service in the computation of a waiting period or periods (5 CFR 531.406 (reference (d))).

E7.2.2.3.1.2. Paid leave.

E7.2.2.3.1.3. The employee received service credit under the back pay provisions of subpart H of 5 CFR 550 (reference (d)).

E7.2.2.3.1.4. Details to another Agency or employer for which no rating has been prepared.

E7.2.2.3.1.5. The employee has had insufficient time to demonstrate an acceptable level of competence due to authorized activities of official interest to the Agency not subject to appraisal (including, but not limited to, labor-management partnership activities and serving as a representative of a labor organization).

E7.2.2.3.1.6. Long-term training when performance standards were not in place for the 90-day minimum appraisal period.

E7.2.2.3.2. In any of the above situations, there shall be a presumption that the employee would have performed at an acceptable level of competence had the employee performed the duties of his or her position of record for the 90-day minimum appraisal period.

E7.2.2.4. Notice of Determination

E7.2.2.4.1. A level of competence determination shall be communicated to the employee in writing as soon as possible after completion of the waiting period or other period upon which it was based.

E7.2.2.4.2. When the rating official determines that the employee is not performing at an acceptable level of competence, he or she shall complete an Unacceptable rating of record and notify the employee in writing of the negative determination. The notice of negative level of competence determination shall include the following:

E7.2.2.4.2.1. The reasons for the negative determination including the critical element(s) and performance standard(s) that have not been met; the specific instances and examples of Unacceptable performance for each critical element at issue; and how the employee must improve his or her performance in order to be granted a WGI.

E7.2.2.4.2.2. The employee's right to request reconsideration of the negative determination from the appropriately designated official within 15 days of the employee's receipt of the notice of negative determination.

E7.2.2.4.2.3. The employee's right to review the material relied upon to support the negative determination and applicable regulations.

E7.2.2.4.2.4. The employee's right to be represented by a person of his or her choosing.

E7.2.2.4.2.5. The employee's right to be granted a reasonable amount of official time, if he or she is otherwise in a duty status, to review the material relied upon to support the negative determination and applicable regulations and to prepare and deliver his or her request for reconsideration.

E7.2.2.4.2.6. A copy of the Unacceptable rating of record.

E7.2.3. Reconsideration of a Negative Determination (GS/GM)

E7.2.3.1. The employee or his or her designated representative may request reconsideration of a negative determination from the Agency official so identified in the notice of negative determination. The request must be in writing and identify the employee by name, title, grade, and organizational unit. The request must also set forth the reason(s) the Agency shall reconsider the determination and specify with examples how the employee performed at the acceptable level of competence in each of the critical elements at issue.

E7.2.3.2. The employee, if otherwise in a duty status, is entitled to a reasonable amount of official time to review applicable regulations and the material relied upon to support the negative determination and to prepare and deliver the request for reconsideration. The employee must make arrangements in advance with his or her supervisor for the use of official time for these purposes.

E7.2.3.3. A request for reconsideration must be filed no later than 15 days after the employee's receipt of the negative determination notice. Filing must be either by personal delivery during normal business hours to the Labor and Management Employee Relations Division, Directorate for Personnel and Security, WHS, or by mail addressed to that office, or to the servicing personnel office.

E7.2.3.3.1. The date of a filing by mail shall be determined by the postmark date; if no postmark date is evident on the mailing, it shall be presumed to have been mailed five days prior to receipt. If the filing is by personal delivery, it shall be considered filed on the date it is received in the WHS Directorate for Personnel and Security Labor and Management Employee Relations Division, or in the servicing personnel office, provided it is received no later than 5:00 p.m. on a normal duty day; if the request is received after 5:00 p.m. on a normal duty day, it will be considered to have been filed on the first working day thereafter.

E7.2.3.3.2. To compute the number of days for filing, the first day counted shall be the day after the employee's receipt of the notice of negative determination, and the last day of filing shall be included in the computation. If the last day for filing falls on a Saturday, Sunday, or Federal holiday in the Washington, D.C., Metropolitan Area, the first working day thereafter shall be the last day for timely filing.

E7.2.3.3.3. The time limit to request reconsideration may be extended when the employee shows in writing that he or she was not notified of the time limit and was not otherwise aware of it, or that he or she was prevented by circumstances beyond his or her control from requesting reconsideration within the time limit. A request for waiver of time for filing must be addressed to the Assistant Director for Labor and Management Employee Relations, Directorate for Personnel and Security, WHS, or the servicing personnel office, and must arrive with the request for reconsideration.

E7.2.3.4. The employee may designate a personal representative to assist him or her in requesting reconsideration of a negative determination. The representative may not be a member of the WHS Personnel and Security Directorate staff; an activity Equal Employment Opportunity manager, specialist, counselor, or investigator; or anyone whose service as a representative would result in a conflict or apparent conflict of interest or position, conflict with the priority needs of the Department of Defense, or give rise to unreasonable costs to the Government. Section 7114 of 5 U.S.C. (reference (c)) and the terms of any applicable collective bargaining agreement govern representation for employees in an exclusive bargaining unit.

E7.2.3.4.1. The employee must make all arrangements for and pay any and all fees or costs associated with representation.

E7.2.3.4.2. Any choice of representative or change in representative must be designated in writing; include the representative's name, address, and phone number; be signed and dated by the employee; and be submitted to the Assistant Director for Labor and Management Employee Relations, Directorate for Personnel and Security, WHS, or servicing personnel office.

E7.2.3.4.3. The duly designated representative, if an employee of the WHS Directorate for Personnel and Security Customer Support Operating Office serviced area and otherwise in a duty status, is entitled to a reasonable amount of official time to review applicable regulations and the material relied upon to support the negative determination and to prepare and deliver the request for reconsideration. The representative must make arrangements in advance with his or her supervisor for the use of official time for these purposes.

E7.2.3.5. Use of Government resources, such as typing assistance, reproduction, word processing, and facsimile transmission equipment; supplies and material (including, but not limited to, letterhead, bond, envelopes, mailing labels) in

preparing a request for reconsideration is prohibited. Use of any of the foregoing by the employee and/or his or her representative may result in the initiation of disciplinary action.

E7.2.3.6. When an employee files a request for reconsideration, the Labor and Management Employee Relations Division, Directorate for Personnel and Security, WHS, or servicing personnel office, shall establish the Agency employee reconsideration file, which shall contain all pertinent documents relating to the negative determination and the request for reconsideration, including copies of the following:

E7.2.3.6.1. The written negative determination and the basis therefor (i.e., the rating of record and the documentation relied upon to support the rating (including, but not limited to, samples of work, memoranda of counseling, and assistance/direction given to the employee)).

E7.2.3.6.2. The employee's written request for reconsideration.

E7.2.3.6.3. Any designation, or change in designation, of representative.

E7.2.3.6.4. Any request for waiver of time for filing and the response thereto.

E7.2.3.6.5. The report of investigation when an investigation is made.

E7.2.3.6.6. The memorandum for record (or transcript) of any personal presentation made.

E7.2.3.6.7. The designated Agency official's decision on the request for reconsideration.

E7.2.3.6.8. The reconsideration file shall not contain any document or information that has not been made available to the employee or to his or her designated representative with an opportunity to submit a written exception to any summary of the employee's personal presentation.

E7.2.3.7. The designated Agency official shall provide the employee with his or her written final decision within 15 days of his or her receipt of the request for reconsideration.

E7.2.3.7.1. If the negative determination is overturned, the employee

shall be so informed, and the effective date of the WGI shall be retroactive to the original due date.

E7.2.3.7.2. If the negative determination is sustained, the employee shall be informed in writing of the reasons for the decision and of the right to appeal the decision to the U.S. Merit Systems Protection Board. However, for an employee covered by a collective bargaining agreement, a request for reconsideration decision that sustains a negative level of competence determination is reviewable only in accordance with the terms of the agreement.

E7.2.4. Continuing Evaluation After Withholding a WGI (GS/GM)

E7.2.4.1. When a WGI has been withheld, the rating official may at any time thereafter prepare a new rating of record of the employee's performance and grant the WGI when he or she determines the employee has demonstrated sustained performance at an acceptable level of competence. However, the rating official shall determine whether the employee's performance is at an acceptable level of competence after no more than 52 calendar weeks following the original eligibility date for the WGI. For as long as the WGI continues to be denied, determinations shall be made after no longer than each 52 calendar weeks.

E7.2.4.2. When a previously denied WGI is granted in the above circumstances, the effective date of the WGI shall be the first day of the first pay period after the acceptable level of competence determination is made.

E7.3. PROMOTION

Due weight shall be given to performance appraisals and incentive awards in qualification and selection for promotion (subsection 3.3. of AI No. 33 (reference (f))).

E7.4. TRAINING AND DEVELOPMENT

E7.4.1. Supervisors are responsible for ensuring that organizational performance goals are met and for helping employees improve performance. The appraisal process is the best tool to identify opportunities for improving/enhancing knowledge, skills, abilities, and job performance.

E7.4.2. Employees are responsible for self-development, successfully completing and applying authorized training, and fulfilling continued service agreements. In

addition, they share the responsibility to identify training needed to improve performance and methods to meet those needs effectively and efficiently.

E7.4.3. Options to meet mission-related organizational and employee development needs include classroom training, on-the-job training, technology-based training, satellite training, employees' self-development activities, coaching, mentoring, career development counseling, details, rotational assignments, cross training, and other developmental activities. Such opportunities may be entered at the end of the appraisal period in Part D of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8).

E7.5. ACTIONS BASED ON UNACCEPTABLE PERFORMANCE

E7.5.1. At any time during the appraisal period that the rating official determines that an employee's performance is Unacceptable in one or more critical elements, the official must inform the employee of the deficiencies in each critical element at issue and the requirements for Acceptable performance for retention in the position (i.e., the standards for acceptable performance in each of the critical elements at issue). Additionally, the rating official must inform the employee that unless his or her performance in each critical element at issue improves to and is sustained at the Acceptable level for a period of one year after an opportunity to improve period, action shall be initiated to remove him or her from the position by reassignment, reduction in grade, or removal from the position and from the Federal service. The employee must be afforded a reasonable opportunity to improve performance to the Acceptable level in each critical element deemed to be Unacceptable commensurate with the duties and responsibilities of the position of record. In no case will the opportunity period be less than 30 days; however, depending on the complexity of the position, the opportunity period may be significantly longer. As part of the opportunity period, the rating official shall provide assistance to the employee in improving performance. Such assistance may include counseling, increased supervisory assistance, on- or off-the-job training. Detailed documentation (to include samples of Unacceptable work and assistance provided to the employee) is required.

E7.5.1.1. If the employee's performance remains Unacceptable (or again becomes Unacceptable after improvement to the Acceptable level) in one or more of the critical elements for which the employee was afforded an opportunity to demonstrate Acceptable performance, action must be initiated to remove the employee from the position. A new opportunity period to demonstrate Acceptable performance is not required.

E7.5.1.2. If the employee performs acceptably for one year from the beginning of an opportunity to demonstrate Acceptable performance in the critical element(s) for which the employee was afforded an opportunity to demonstrate Acceptable performance and the employee's performance again becomes Unacceptable, or if the employee's performance on a different critical element becomes Unacceptable, the rating official shall afford the employee an additional opportunity period to demonstrate Acceptable performance before determining whether to propose a removal from the position under this section.

E7.5.2. Written notice of proposed actions based on Unacceptable performance must be provided to the employee. The advance notice period is 30 days. The proposal notice must identify specific instances of Unacceptable performance on which the proposed action is based and the critical element(s) of the employee's position involved in each instance of Unacceptable performance. *The employee has the right to reply orally and/or in writing (at his or her option) to the proposed action not more than 20 days after receiving the proposal notice. If, due to circumstances beyond the employer's control, a reply cannot reasonably be made within 20 days, the employee may request an extension in writing from the deciding official before the 20-day reply period has expired. The employee also has the right to designate a representative of his or her choice.* The designation or change in designation must be in writing. The representative may not be a member of the WHS Directorate for Personnel and Security staff; an Equal Employment Opportunity (EEO) manager, specialist, counselor, or investigator; or anyone whose service as a representative would result in a conflict or apparent conflict of interest or position, conflict with the priority needs of the Department of Defense, or cause unreasonable costs to the Government. *The employee must make all arrangements for and pay any and all cost or fees associated with representation.* The employee also has the right to review the material relied on as a basis for the action and applicable regulations. In exercising his or her rights, the employee is entitled to a reasonable amount of official time without charge to leave or loss of pay if he or she is otherwise in a duty status, but arrangements for such time must be made in advance with the immediate supervisor. Finally, the employee is entitled to a written decision as soon as possible, but no later than 30 calendar days, after the notice period expires.

E7.5.3. The decision to remove an employee from his or her position for Unacceptable performance must be concurred in by a higher level official than the one who proposed the action (unless the proposing official is the Secretary of Defense); therefore, within the WHS Directorate for Personnel and Security Customer Support Operating Office serviced area, the deciding official shall be the employee's second- or

third-level supervisor. The written decision must specify the instances of Unacceptable performance on which the action is based. Only instances of Unacceptable performance which occurred within the one-year period before the date the employee received the advance notice may be used to support the decision and only those instances included in the advance notice may be relied on to support the final decision. Further, the reasons for such action must be supported by substantial evidence. Employees have the right to request a review of actions based on Unacceptable performance through applicable grievance and appeal procedures and must be advised of this right in the decision notice. The decision notice must specify the effective date of the action and be delivered to the employee at or before the effective time of the action.

E7.5.4. If an employee is involuntarily reduced in grade, or if an employee accepts an Agency offer of voluntary reduction in grade as an alternative to the Agency initiating action to reduce the employee in grade, the employee's current basic pay shall be compared to the pay (step) rates of the pay schedule for the grade to which the employee is to be reduced and shall be fixed at a rate in the lower grade as follows:

E7.5.4.1. If the employee's current basic pay is equal to a pay (step) rate on the pay schedule in the lower grade, the employee's new basic pay shall remain unchanged upon reduction in grade.

E7.5.4.2. If the employee's current basic pay falls between two pay (step) rates on the pay schedule in the lower grade, the employee's new basic pay shall be set at the lower of the two steps upon reduction.

E7.5.4.3. If the employee's current basic pay exceeds the maximum pay (step) rate of the grade to which reduced in grade, the employee's new basic pay shall be set at the maximum step for the grade to which reduced.

E7.5.5. The WHS Directorate for Personnel and Security Labor and Management Employee Relations Division, or servicing personnel office, shall maintain the official Agency records on all performance-based actions. These files will be kept apart from official personnel folders. A copy of the record shall be available for review by the employee and/or his or her properly designated representative upon request.

E7.5.5.1. At a minimum, the Agency record shall consist of:

E7.5.5.1.1. A copy of the notice of proposed action and the basis therefor (i.e., the material relied upon to support the proposal (including, but not limited to, a copy of the approved, receipted performance plan (Parts A and B of

DD Form 2799, "Employee Performance Plan and Results Report"), a signed, receipted copy of the notice of opportunity to demonstrate acceptable performance, samples of work, memoranda of counseling, and assistance/direction given to the employee to assist him or her in improving performance to the Acceptable level)).

E7.5.5.1.2. Any designation, and/or change in designation, of representative.

E7.5.5.1.3. The answer of the employee when it is in writing.

E7.5.5.1.4. A summary of the employee's answer when the employee makes an oral reply.

E7.5.5.1.5. The written notice of decision and the reasons therefor.

E7.5.5.2. If, because the employee's performance improves to the Acceptable level during the notice period and is sustained at the Acceptable level for one year from the date of his or her receipt of the advance written notice, no action shall be taken against the employee for Unacceptable performance and any entry or other notation of the Unacceptable performance for which the action was proposed shall be removed from any Agency record relating to the employee.

E7.5.6. The foregoing procedures do not apply to employees who are serving:

E7.5.6.1. A probationary or trial period under an initial appointment or who have not completed one year of current continuous employment under other than a temporary appointment limited to one year or less.

E7.5.6.2. A probationary period for a new supervisor or manager if the reason(s) for the Unacceptable performance is(are) based on supervisory or managerial performance.

E7.5.6.3. In the excepted service and have not completed one year of current continuous employment in the same or similar positions.

E7.5.7. The WHS Directorate for Personnel and Security Labor and Management Employee Relations Division, or servicing personnel office, is available to provide advice and assistance on actions based on Unacceptable performance and should be contacted as soon as a rating official feels an employee's performance is less than Acceptable.

E7.6. REDUCTION IN FORCE

E7.6.1. Ratings of record shall be used as the basis for granting additional retention service credit in a reduction in force (5 CFR 351 (reference (d))). No rating of record shall be issued for the purpose of affecting an employee's retention standing.

E7.6.2. An employee's entitlement to additional retention service credit for performance shall be based on the employee's three most recent ratings of record received during the 4-year period prior to the date of issuance of reduction in force notices, except as indicated in paragraph E7.6.2.1. and subsection E7.6.4., below.

E7.6.2.1. The WHS Director for Personnel and Security may determine a cutoff date within a competitive area 90 days prior to the issuance of reduction in force notices after which no new ratings of record will be put on record and used for purposes of additional service credit for performance. When the cutoff date is used, an employee shall receive performance credit for the three most recent ratings of record received during the 4-year period prior to the cutoff date.

E7.6.2.2. To be creditable for purposes of additional retention service credit, a rating of record must have been approved and issued to the employee, with all appropriate reviews and signatures, and must also be on record (i.e., the completed rating of record is in the WHS Directorate for Personnel and Security).

E7.6.3. The additional retention service credit for ratings of record put on record shall be expressed in additional years of service and shall consist of the mathematical average (rounded in the case of a fraction to the next higher whole number) of the employee's applicable ratings of record, computed on the following basis:

E7.6.3.1. Twenty additional years of service for each rating of record with a Level 5 (Outstanding or equivalent) summary.

E7.6.3.2. Sixteen additional years of service for each rating of record with a Level 4 (Exceeds Fully Successful or equivalent) summary.

E7.6.3.3. Twelve additional years of service for each rating of record with a Level 3 (Fully Successful or equivalent) summary.

E7.6.3.4. No additional retention service credit shall be given for summary levels below Level 3 (Fully Successful or equivalent).

E7.6.4. Additional retention service credit for employees who do not have three actual ratings of record during the 4-year period prior to the date of issuance of reduction in force notices or the 4-year period prior to the cutoff date for ratings of record shall be determined as follows:

E7.6.4.1. An employee who has not received any rating of record during the 4-year period shall receive credit for performance based on the modal rating for the summary level pattern that applies to the employee's official position of record at the time of the reduction in force.

E7.6.4.2. An employee who has received at least one but fewer than three previous ratings of record during the 4-year period shall receive credit for performance on the basis of the value of the actual rating(s) of record divided by the number of actual ratings received (and rounded in the case of a fraction to the next higher whole number).

E7.7. REQUESTS FOR RECONSIDERATION OF AN APPROVED RATING OF RECORD

E7.7.1. Employees not covered by a negotiated labor agreement may request reconsideration of their approved rating of record. The request for reconsideration must be filed in writing with the approving official within 15 days of the date the employee became aware of the approved rating, as documented in Part C, Section IV, Block 12.d. of DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8). The request must include:

E7.7.1.1. The employee's name; position title, series, grade; and organizational entity to which assigned.

E7.7.1.2. The name, address, and telephone number of the employee's representative, if any.

E7.7.1.3. The date the employee was notified of his or her approved summary rating.

E7.7.1.4. A clear and concise statement of the specific reason(s) the employee disagrees with the rating, based on his or her demonstrated performance in relation to the performance standards for each critical element at issue.

E7.7.1.5. The element and summary ratings the employee believes are warranted based on his or her demonstrated performance in relation to the performance standards for each critical element at issue and derivation of the resulting summary rating. Sufficient detail must be included in the request to show how, why, and in what manner the employee's performance warrants a higher rating than the one received, based on demonstrated performance for each critical element at issue.

E7.7.1.6. The employee's signature and the date signed.

E7.7.2. Filing must be either by personal delivery during normal business hours to the rating approving official or by mail addressed to the approving official. The date of filing shall be determined in accordance with subparagraph E7.2.3.3.1., above, except that the date of receipt of a filing by personal delivery shall be the date the rating approving official receives the request, provided it is received no later than the close of business on a normal duty day of the approving official's office, and subparagraph E7.2.3.3.2., above. The time limit to request reconsideration of an approved rating of record may be extended following the provisions in subparagraph E7.2.3.3.3., above, except that such request must be addressed to the rating approving official and accompany the request for reconsideration of the approved rating of record.

E7.7.3. The approving official must review the request for reconsideration, the rating, and supporting documentation from the rating official and the employee and render his or her written decision to the employee no later than 30 days after receipt of the request. If the decision is to grant the relief sought by the employee, a new DD Form 2799, "Employee Performance Plan and Results Report" (enclosure 8), using the same dates as the original shall be accomplished and forwarded to the WHS Directorate for Personnel and Security Labor and Management Employee Relations Division, or servicing personnel office, along with a complete copy of the reconsideration file. If the decision is not to grant the requested relief, the employee shall be so informed of that decision in writing. The decision of the approving official is final.

E7.7.4. Use of Government resources, such as typing assistance, reproduction, word processing, and facsimile transmission equipment; supplies and material (including, but not limited to, letterhead, bond, envelopes, mailing labels) in preparing a request for reconsideration is prohibited. Use of any of the foregoing by the employee and/or his or her representative may result in the initiation of disciplinary action. There is no entitlement to official time to prepare (e.g., organize and reproduce materials, compose, and/or type) a request for reconsideration.

E7.8. GRIEVANCES OF AN APPROVED RATING OF RECORD

E7.8.1. Employees who receive an Unacceptable rating of record and who are not represented by a union with a negotiated labor agreement may file a grievance under the Agency administrative grievance system (section 11. of AI No. 37 (reference (g))). Employees represented by a union with a negotiated agreement may file a grievance in accordance with the applicable negotiated procedure.

E7.8.2. Employees may not grieve the identification of critical elements, the performance standards, the decision to grant or not to grant a performance award or quality step increase, or the amount of a performance award.

E7.8.3. Use of Government resources, such as typing assistance, reproduction, word processing and facsimile transmission equipment; supplies and material (including, but not limited to, letterhead, bond, envelopes, mailing labels) in preparing a grievance is prohibited. Use of any of the foregoing by the employee and/or his or her representative may result in the initiation of disciplinary action. There is no entitlement to official time to prepare (e.g., organize and reproduce materials, compose, and/or type) a grievance.

E8. ENCLOSURE 8

DD Form 2799, "Employee Performance Plan and Results Report," July 1999

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT
<p style="text-align: center;">PRIVACY ACT STATEMENT</p> <p>AUTHORITY: 5 U.S.C. Sections 4301 - 4305; and E.O. 9397.</p> <p>PRINCIPAL PURPOSE(S): Used for performance planning and results reporting documentation requirements for the Performance Appraisal Program for General Schedule, Federal Wage System, and Certain Other Employees.</p> <p>ROUTINE USE(S): None.</p> <p>DISCLOSURE: Personal identification information is copied by the employee's rating official from other files. Thus, there is no situation where the employee must choose between disclosing or not disclosing personal information. Employee signatures or the lack of signatures on Parts A, B, C, and D do not connote employee verification of any personal information on the form.</p>

**EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT
INSTRUCTIONS FOR COMPLETION**

PART A.

1. Rating officials are responsible for ensuring that all identifying information in Section I, Blocks 1-7, is complete.
2. At the beginning of the appraisal period or upon the employee's entrance in a new position, the rating official completes Section II with employee input. The final determination of the plan is the rating and reviewing officials'.
3. The rating official, reviewing official, and employee sign and date Section III, Block 9.
4. The original of Part A is retained by the rating official and a copy by the employee.

PART B.

1. Approximately midway through the appraisal period, the rating official completes Sections I and II, Block 8, and meets with the employee to discuss the employee's performance (5 CFR 430.207(b)). Additional progress reviews shall be conducted and documented as necessary.
2. The employee may enter comments in Section II, Block 9.
3. The rating official and employee sign and date Section III, Block 10, upon completion of the progress review(s).
4. The original of Part B is retained by the rating official and a copy by the employee.

PART C.

1. Within 20 days of the end of the rating period, the rating official completes Sections I, II, and III, Block 10.a. Block 11.a. or b. is completed only if monetary recognition is recommended. The rating official signs and dates Section IV, Block 12.a.
2. The rating official discusses the recommended rating of record and any monetary recognition recommendation with the reviewing and approving official(s), as appropriate. The reviewing official completes Section III, Block 10.b. and signs and dates Section IV, Block 12.b. The approving official completes Section III, Block 11.a. or b. and signs and dates Section IV, Block 12.c.
3. The rating official discusses the approved rating and any monetary recognition with the employee. The employee completes Section IV, Block 12.d. and may attach comments.

PART D. (Optional)

1. At the end of the appraisal period, the rating official may complete Sections I and II and discuss the Development/Work Skills Plan with the reviewing official and the employee.
2. The rating and reviewing officials and the employee sign and date Section III, Block 9.

COMPLETED DD FORM 2799:

1. The original of the completed form shall be provided to the Component's Administrative Office. The rating official and employee shall each retain a copy.
2. The administrative office shall send original completed forms within 60 days of the end of the appraisal period to:

Washington Headquarters Services
Directorate for Personnel and Security
Labor and Management Employee Relations
Division

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT			
<i>(Read the Privacy Act Statement and Instructions on Pages 1 and 2 before completing this form.)</i>			
PART A			
SECTION I - IDENTIFYING INFORMATION			
1. EMPLOYEE NAME <i>(Last, First, Middle Initial)</i>	2. SSN	3. RATING PERIOD	
		a. FROM <i>(YYYYMMDD)</i>	b. TO <i>(YYYYMMDD)</i>
4. TITLE	5. SERIES	6. GRADE	7. OFFICE
SECTION II - PERFORMANCE PLAN			
8. CRITICAL ELEMENTS <i>(List at least one, but normally not more than five. Develop component specific elements or use elements from attached list with component specific measures.)</i>			
a.			
b.			
c.			
d.			
e.			
SECTION III - PERFORMANCE PLAN SIGNATURES			
9. PERFORMANCE PLAN <i>(Sign when plan is established)</i>			
a. RATING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE	DATE	
b. REVIEWING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE	DATE	
c. EMPLOYEE SIGNATURE <i>(Employee's signature indicates review and discussion with the Rating Official. It does not necessarily mean that the employee agrees with the information on this form.)</i>			DATE

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT			
PART B			
SECTION I - IDENTIFYING INFORMATION			
1. EMPLOYEE NAME <i>(Last, First, Middle Initial)</i>	2. SSN	3. RATING PERIOD	
		a. FROM <i>(YYYYMMDD)</i>	b. TO <i>(YYYYMMDD)</i>
4. TITLE	5. SERIES	6. GRADE	7. OFFICE
SECTION II - PROGRESS REVIEW(S)			
8. NARRATIVE			
9. EMPLOYEE COMMENTS			
SECTION III - PROGRESS REVIEW(S) SIGNATURES			
10. PROGRESS REVIEW(S) <i>(Sign when review is conducted)</i>			
a. RATING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE		DATE
b. EMPLOYEE SIGNATURE <i>(Employee's signature indicates review and discussion with the Rating Official. It does not necessarily mean that the employee agrees with the information on this form.)</i>			DATE

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT				
PART C				
SECTION I - IDENTIFYING INFORMATION				
1. EMPLOYEE NAME <i>(Last, First, Middle Initial)</i>	2. SSN	3. RATING PERIOD		
		a. FROM <i>(YYYYMMDD)</i>	b. TO <i>(YYYYMMDD)</i>	
4. TITLE	5. SERIES	6. GRADE	7. OFFICE	
SECTION II - RESULTS				
8. CRITICAL ELEMENT RATINGS <i>(U = Unacceptable, M = Met, E = Exceeded, NR = Not Rated)</i>				
a.	b.	c.	d.	e.
9. NARRATIVE TO SUPPORT ELEMENT RATINGS OF OTHER THAN MET <i>(Required)</i>				
<input type="checkbox"/> <i>(X if narrative continued on separate sheet)</i>		<input type="checkbox"/> <i>(X if Employee Development/Work Skills Plan (Part D) attached)</i>		
SECTION III - RATING OF RECORD AND MONETARY RECOGNITION				
10. RATING OF RECORD				
a. RECOMMENDED <i>(X one)</i>				
<input type="checkbox"/> LEVEL 1 - UNACCEPTABLE		<input type="checkbox"/> LEVEL 3 - ACCEPTABLE		<input type="checkbox"/> LEVEL 5 - EXCELLENT
b. <i>(X as applicable) (If rating is changed, the reviewing or approving official must enter a written explanation.)</i>				
<input type="checkbox"/> APPROVED		<input type="checkbox"/> CHANGED TO		
11. MONETARY RECOGNITION <i>(X as applicable)</i>				
a. PERFORMANCE AWARD RECOMMENDED \$		<input type="checkbox"/> APPROVED	<input type="checkbox"/> CHANGED TO \$	
b. QUALITY STEP INCREASE RECOMMENDED <i>(A Level 5 rating of record is required.)</i>		<input type="checkbox"/> APPROVED	<input type="checkbox"/> DISAPPROVED	
SECTION IV - RATING SIGNATURES				
12. RATING <i>(Sign when completed)</i>				
a. RATING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE			DATE
b. REVIEWING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE			DATE
c. APPROVING OFFICIAL SIGNATURE <i>(Required only when monetary recognition is recommended.)</i>	PRINTED NAME AND TITLE			DATE
d. EMPLOYEE SIGNATURE <i>(Employee's signature indicates review and discussion with the Rating Official. It does not necessarily mean that the employee agrees with the information on this form.)</i>				DATE
				<input type="checkbox"/> <i>(X if employee comments attached)</i>

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT			
PART D (Optional)			
SECTION I - IDENTIFYING INFORMATION			
1. EMPLOYEE NAME (Last, First, Middle Initial)	2. SSN	3. RATING PERIOD	
		a. FROM (YYYYMMDD)	b. TO (YYYYMMDD)
4. TITLE	5. SERIES	6. GRADE	7. OFFICE
SECTION II - EMPLOYEE DEVELOPMENT/WORK SKILLS PLAN			
8. IDENTIFY CLASSES, TRAINING OPPORTUNITIES, DEVELOPMENTAL ASSIGNMENTS, ETC., DESIRABLE FOR IMPROVING/ENHANCING THE EMPLOYEE'S KNOWLEDGE, SKILLS, PERFORMANCE.			
SECTION III - DEVELOPMENT PLAN SIGNATURES			
9. EMPLOYEE DEVELOPMENT/WORK SKILLS PLAN (Sign when plan is established)			
a. RATING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE	DATE	
b. REVIEWING OFFICIAL SIGNATURE	PRINTED NAME AND TITLE	DATE	
c. EMPLOYEE SIGNATURE (Employee's signature indicates review and discussion with the Rating Official. It does not necessarily mean that the employee agrees with the information on this form.)		DATE	

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT PERFORMANCE ELEMENTS	
<p>The first five Critical Elements will probably be applicable to all positions to some degree. Critical Elements 6, 7, and 8 should be included in performance plans when appropriate. Supervisors should carefully review standards under each element, include all standards which apply to the position, and add appropriate descriptive language where indicated in the bracketed, italicized portions of this guidance.</p> <p>1. Quality of Work.</p> <ul style="list-style-type: none"> - Work consistently demonstrates current knowledge of field. - Work is consistently well researched, thoroughly analyzed. <i>(Include other indicia of good quality work appropriate to duties performed and grade level, including the expected level of supervisory control or input.)</i> - Work is consistently accurate, complete, relevant, thorough, and logical. - Work consistently reflects sound professional judgment. <i>(Describe indicia of judgment appropriate to the grade level, such as weighing alternatives, considering implications, recognizing when direction from superiors is necessary or appropriate, etc.)</i> <p>2. Productivity.</p> <ul style="list-style-type: none"> - Work is consistently planned and prioritized to reflect mission and organizational needs. <i>(The standard should specify the level of supervisory input into or control of planning expected at the grade level, such as "with minimal (or occasional or regular) supervisory input.")</i> - Work consistently completed within established deadlines. - Consistently advises supervisor and others concerned when it becomes necessary to extend deadlines due to circumstances beyond the employee's control. - Work is consistently planned so that it can be fully coordinated and distributed within established deadlines without imposing unduly on others. <i>(If there are deadlines outside the control of the agency the missing of which could result in substantial expense to the agency, danger to the public, etc., a standard may be included which requires that work be planned so that such deadlines are never missed.)</i> - Work is consistently planned to ensure efficient use of resources. - The volume of work done consistently contributes to organizational goals. <i>(If the work of the organization can be quantified, this standard could state that the volume of work within a specified time frame meets the organization's numerical goals. Numerical goals must, however, be reasonable, attainable, and rationally apportioned among employees.)</i> <p>3. Quality of Written Communication.</p> <ul style="list-style-type: none"> - Drafts are consistently clear, relevant, concise, well organized and appropriate to audience. <i>(Where appropriate for the grade level, standard may state that drafts rarely require additional research or substantial reorganization.)</i> 	<p>3. Quality of Written Communication (Continued).</p> <ul style="list-style-type: none"> - Finished products are consistently free of spelling and grammatical errors, conform to appropriate office formats, and appropriately incorporate review and/or coordination of initial drafts. <i>(If there is some way to quantify and track the total number of written work products, it may be possible to build an acceptable error rate into the standard. Error rates must specify whether they apply to finished or draft work products, be reasonable and attainable, and must be uniformly applied.)</i> - Written work consistently requires a level of supervisory review appropriate to the grade level. <i>(The standard should describe the level of review such as "rarely requires substantive editing." Where appropriate, the standard can state that "drafts rarely require a second rewrite" or "never require a second rewrite due to failure to implement supervisor's instructions.")</i> <p>4. Quality of Oral Communication.</p> <ul style="list-style-type: none"> - Briefings and other oral presentations are consistently clear, well organized, accurate, and appropriate to audience. <i>(Standard should describe whatever indicia of one-sided communications efforts are appropriate, including appropriate responses to questions or comments from audience.)</i> - At meetings and in verbal exchanges with others, consistently conveys information accurately, advocates effectively, listens carefully, and responds appropriately. <i>(Again, the standard should describe additional indicia of quality interchanges, depending on nature of position.)</i> <p>5. Teamwork and Customer Responsiveness.</p> <ul style="list-style-type: none"> - Consistently ensures appropriate coordination so that concerned individuals and organizations are included in and/or informed of decisions and actions. - Consistently keeps supervisor informed of anticipated problems and, where appropriate, suggests solutions or advises supervisor of course of action employee proposes to follow. - Consistently works well with others and maintains a professional demeanor in dealings with co-workers, clients, and supervisors, including appropriate respect for cultural, ethnic, gender, and other differences and full cooperation with the equal employment opportunity process when necessary. - Consistently participates in team or group efforts effectively by cooperating with others, according appropriate respect to views of others, responding constructively to criticism or dissenting views, etc. - Consistently responds to requests for information or assistance from clients and others outside the organization in a timely fashion. <i>(The standard may specify a reasonable response time for specific types of requests such as "consistently returns telephone calls by the close of the next business day." Note that this measure of responsiveness to clients, etc., should be distinguished from measures of organizing and prioritizing work to meet deadlines, as measured in critical element 2, above.)</i>

EMPLOYEE PERFORMANCE PLAN AND RESULTS REPORT PERFORMANCE ELEMENTS (Continued)	
<p>5. Teamwork and Customer Responsiveness (Continued).</p> <ul style="list-style-type: none"> - For team leaders: Team leader ensures that all team members participate actively, cooperate, and maintain a professional demeanor by consistently setting an example of appropriate team cooperation, appropriately assigning tasks, promptly bringing performance and/or conduct problems to the attention of the supervisor, and effectively following through on corrective action decided on by the supervisor. <p>6. Security.</p> <p><i>(This should be a separate critical element whenever handling sensitive or classified information is a significant part of the employee's duties. Absolute standards permitting no deficiencies are acceptable in the security area.)</i></p> <ul style="list-style-type: none"> - Attends all required security briefings. If any briefings are missed due to circumstances beyond the employee's control, promptly advises supervisor and arranges for substitute briefing. - Follows all rules and procedures for proper handling of classified materials. - Promptly reports security violations to the proper authorities. <p>7. Supervises Office Function and Performance of Subordinates.</p> <ul style="list-style-type: none"> - Consistently ensures that work is distributed in an equitable manner based on the urgency, complexity, and sensitivity of tasks, existing work loads, and the capabilities and experience of subordinates. - Regularly monitors the work load of subordinates, including number and nature of assignments and time expended on specific significant matters and on categories of routine matters. Requests for staffing changes are thoroughly supported and designed to ensure efficient function of the office. - Consistently provides timely review of work products of subordinates in a manner appropriate to the experience level of the employee and the complexity and difficulty of tasks assigned. - Consistently provides clear and constructive feedback to subordinates about their performance, including timely and accurate performance appraisals, notices of performance deficiencies, and performance awards and recognition. - Promptly and consistently addresses performance and conduct deficiencies of subordinates with appropriate guidance, counseling, and/or discipline. - Promptly and consistently provides positive feedback about superior job performance or individual tasks, including recognition or awards, where appropriate, to subordinates. - Consistently ensures timely preparation of performance standards which conform to available guidance. - Consistently maintains appropriate documentation to support performance appraisals, awards, and performance or conduct based actions. 	<p>7. Supervises Office Function and Performance of Subordinates (Continued).</p> <ul style="list-style-type: none"> - Ensures that individual training needs of subordinates are regularly evaluated and that training is provided consistent with the agency staff development plan and agency goals. - Consistently ensures that office budgets are developed that comply with budgetary policies and constraints and enable the office to accomplish its mission in a timely and efficient manner. - Consistently manages the office budget to ensure compliance with applicable policies and regulations. - Consistently ensures that inventory and other appropriate accountability measures are implemented in accordance with established guidelines. - Consistently makes workplace decisions on the basis of merit, treats subordinates fairly, and ensures that everyone under the supervisor's supervision consistently respects cultural, ethnic, gender, disability related, and other differences in the workplace. - Consistently responds promptly and effectively to complaints about the conduct of subordinates, customers, and peers, including, where appropriate, seeking the assistance of the Equal Employment Opportunity (EEO) Program Division (EOPD), counseling or disciplining individuals engaging in inappropriate conduct, reporting problems to chain of command, and obtaining diversity and EEO training. - Consistently cooperates with the EEO process, including informing upper level management of the existence of the complaint and of the steps the supervisor plans to take to address it, identifying possible resolutions as early in the complaint process as possible and discussing them with EEO counselors, responding promptly and fully to requests for information from EEO investigators, and making self available to work with agency representatives. <p>8. Program Management (for non-supervisory managers).</p> <p><i>(There should be a program management element for non-supervisory managers which includes a standard for those responsibilities as well as for their EEO responsibilities.)</i></p> <ul style="list-style-type: none"> - Consistently ensures that all workplace decisions made in the manager's program area are based on merit principles and program requirements. - Consistently ensures that efforts to recruit, promote, train, and provide other opportunities for advancement within the manager's program areas are appropriately made to maximize the area of competition, including consultation with the EOPD to ensure that appropriate steps are taken to recruit individuals whose sex, race, national origin, or disability status may be under represented in the DoD workforce. - Consistently ensures that supervisors respond appropriately to EEO complaints, whether formal or informal, that they have current training in EEO procedures and issues, and that they have access to and appropriately use legal, personnel, and EEO resources.